

(3) *Three years*: Begin the construction of the satellite.

(4) *Five years*: Launch and operate the satellite.

(b) Licensees of non-geostationary orbit satellite systems other than DBS and DARS satellite systems licensed on or after September 11, 2003, will be required to comply with the schedule set forth in paragraphs (b)(1) through (b)(5) of this section in implementing their satellite systems, unless a different schedule is established by Title 47, Chapter I, or by Commission Order, or by Order adopted pursuant to delegated authority. These dates are to be measured from the date the license is issued.

(1) *One year*: Enter into a binding non-contingent contract to construct the licensed satellite system.

(2) *Two years*: Complete the critical design review of the licensed satellite system.

(3) *Two years, six months*: Begin the construction of the first satellite in the licensed satellite system.

(4) *Three years, six months*: Launch and operate the first satellite in the licensed satellite system.

(5) *Six years*: Bring all the satellites in the licensed satellite system into operation.

(c) Licensees of all satellite systems, other than DBS and DARS satellite systems, licensed on or after September 11, 2003, will be required to submit a copy of their binding non-contingent contract with the Commission on or before the date scheduled for entering into such a contract.

(d) Licensees of all satellite systems, other than DBS and DARS satellite systems, licensed on or after September 11, 2003, will be required to submit information to the Commission sufficient to demonstrate that the licensee has completed the critical design review of the licensed satellite system on or before the date scheduled for entering into such completion.

(e) Licensees of all satellite systems, other than DBS and DARS satellite systems, licensed on or after September 11, 2003, will be required to submit information to the Commission sufficient to demonstrate that the licensee has commenced physical construction of its licensed spacecraft on

or before the date scheduled for such commencement.

(f) In cases where the Commission grants a satellite authorization in different stages, such as a license for a satellite system using feeder links or intersatellite links, the earliest of the milestone schedules shall be applied to the entire satellite system.

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§ 25.165 Posting of bonds.

(a) For all satellite licenses other than DBS and DARS licenses issued after September 11, 2003, the licensee is required to post a bond within 30 days of the grant of its license. Failure to post the required bond will render the license null and void automatically.

(1) NGSO-like licensees are required to post a bond in the amount of \$7.5 million.

(2) GSO-like licensees are required to post a bond in the amount of \$5 million.

(b) The licensee must use a surety company deemed acceptable within the meaning of 31 U.S.C. 9304 *et seq.* (See, e.g., Department of Treasury Fiscal Service, Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and As Acceptable Reinsurance Companies, 57 FR 29356, July 1, 1992.) The bond must name the U.S. Treasury as beneficiary in the event of the licensee's default. The licensee must provide the Commission with a copy of the performance bond, including all details and conditions.

(c) A licensee will be considered to be in default if it fails to meet any milestone deadline set forth in § 25.164, and, at the time of milestone deadline, the licensee has not provided a sufficient basis for extending the milestone.

(d) An NGSO-like licensee will be permitted to reduce the amount of the bond by 20 percent of the original bond amount upon successfully meeting a milestone deadline set forth in § 25.164(b). A GSO-like licensee will be permitted to reduce the amount of the bond by 25 percent of the original bond amount upon successfully meeting a milestone deadline set forth in § 25.164(a).

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